GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2777
ANSWERED ON:02.12.2016
Public Funded Schemes
Charitra Shri Ram

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has issued new norms for the appraisal and approval of public funded schemes as well as to improve the delivery of goods and services to citizens.

(b) if so, the details thereof and the reasons therefor;

(c) Whether the new guidelines /norms have enhanced the powers of Ministers to approve expenditures and prohibits commencement of new scheme with prior approval of the appropriate authority; and

(d) if so, the details thereof?

Answer

(a) and (b)

Government of India has issued revised guidelines on 5th August, 2016 for formulation, appraisal and approval of Public Funded Schemes and Projects, except matters required to be placed before the Cabinet Committee on Security. These guidelines have been issued in the wake of the decision of doing away with Plan Non-Plan distinction at the end of the 12th Five Year Plan.

(c) and (d)
Government of India had already issued orders on 29-8-2014 for enhanced Delegation of Powers to the Administrative Ministries/Departments for appraisal and approval of Public Funded schemes / projects. These delegations of power have been incorporated in the revised guidelines. At present, Ministers-in-charge of the Administrative Ministries/Departments have powers to approve projects / schemes costing upto Rs. 500 crore. Projects/ schemes costing above Rs. 500 crore and upto Rs. 1000 crore require the approvals of the Minister-in-charge of the Administrative Ministry/ Department and the Finance Minister, except where special powers have been delegated by the Government. Projects costing above Rs. 1000 crore require the approval of the Cabinet / Committee of the Cabinet concerned with the subject. As per the revised guidelines, no new scheme or sub scheme will be initiated without the prior "in-principle" approval of the Department of Expenditure. However, this will not apply to the announcements made in the Budget Speech for any given year.